

Minister for Trade Regulations: Export of Forestry Industry Products



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On 22 September 2020, the Minister for Trade issued Regulation 74.* Regulation 74 aims to support the forestry industry during the coronavirus pandemic.

Regulation 74 requires that only companies with a single business number and or an industrial business licence (*Izin Usaha Industri*) and, in the case of trade companies, a trade business licence (*Surat Izin Usaha Perdagangan*).

Almost all forestry industry products for export must be accompanied by a number of documents including a V-legal document, which verifies that the products comply with all regulatory standards. Regulation 74 envisages that small and medium size enterprises will also be able to obtain V-legal documents, though this will be further regulated.

In addition, Regulation 74 requires that technical criteria describing the products must accompany the products - the specific criteria for products are listed in Schedule 3 of Regulation 74. Further, any export of forestry products can only be carried out once the products have been verified by a Surveyor, whose results will be written up in a report that is submitted to the government. The report will also be used as supporting documentation attached to a customs notification.

Exporters that have obtained v-legal documents must submit an annual report to the Director General of Foreign Trade, setting out details of their exports for the previous 12 months.

Some forestry products are exempt from Regulation 74; these include products that are for promotional purposes in exhibitions and are not for sale, pulp and certain types of paper and goods for scientific research and development.

*Minister for Trade Regulation No. 74 of 2020 concerning the Provisions On the Export Of Forestry Industry Products.

Trademark and Patents: The Effect of the Job Creation Bill

The Job Creation Bill (the **Bill**) makes sweeping amendments across many areas of the law. In this article, we shall figure out the effect of the Bill on Law Number 20 of 2016 concerning Trademark and Geographical Indications (**Trademark Law**)* and Law Number 13 of 2016 concerning Patent (**Patent Law**).**

The Bill makes a number of amendments to both the Trademark Law and the Patent Law to create confidence in the protection of intellectual property in Indonesia and thereby stimulate foreign investment.



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The Bill reduces the time period for the examination of a trademark applications from 150 to 90 days, significantly speeding up the process for trademark registration. The Bill also prohibits the registration of "form of functional" as a trademark. There is no definition given for this phrase and the government should clearly define the term before the Bill becomes law to avoid confusion and delay.

The Bill amendment the obligation in the Patent Law that patents registered in Indonesia must be made or used in Indonesia. This amendment frees up foreign investors to register patents in Indonesia without necessarily having plans to manufacture in Indonesia. Foreign patent holders will now be able to manufacture patented products outside of Indonesia and import them into Indonesia. While this frees up foreign investors it may have the consequence that Indonesian human resources will not receive the knowledge transfer because patents have been manufactured outside of Indonesia.

Once some small issues have been ironed out, the Bill will create a robust patent and trademark framework that will stimulate foreign investment in Indonesia.

* Law Number 20 of 2016 concerning Marks and Geographical Indications.

** Law Number 13 of 2016 concerning Patent.

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